



## HRSC EAST EMPLOYEE BENEFITS UPDATE

# Flexible Spending Accounts

The Federal Flexible Benefits Plan ("FedFlex") enables eligible employees to pay for certain benefits with pre-tax dollars. The initial FedFlex benefit, Health Benefits Premium Conversion (HB-PC), was implemented in October 2000. In calendar year 2003, the Office of Personnel Management (OPM) hopes to expand FedFlex by offering a new type of benefit called Flexible Spending Accounts (FSAs).

Employees will be able to set up a health care FSA to use for out-of-pocket costs including co-payments and deductibles and for health care expenses not covered by insurance, such as dental services and eye-care. Employees also will be able to set up an account for dependent-care expenses for children and aging parents.

OPM expects the first open season to begin in May, and the FSA program to start in July 2003. After that, the FSA sign-up season will be aligned with the Federal Employees Health Benefits (FEHB) program open season. These benefits are available to current employees only — by law they do not apply to annuitants.

OPM is currently in the process of procuring an FSA administrator and have developed a new section for information about FSAs on their web site. The address is <http://www.opm.gov/insure/pretax/>.

HRSC East will distribute additional information about the FSAs as soon as it is available.

If you need to contact the Retirements and Benefits Division of the HRSC East, please call The Benefits Line at 1-888-320-2917, select option 2 to talk to a benefits counselor then option 1 for East Region. Benefits counselors are available from 7:30 a.m.– 4:30 p.m. EST Monday through Friday.

You may e-mail the Retirements and Benefits Division anytime at [Benefits\\_east@east.hroc.navy.mil](mailto:Benefits_east@east.hroc.navy.mil).

The TTY number for the hearing impaired is (757) 396-7078.